

**Let's Get Washington Covered: Reconstructing Health Insurance
Task Force questions from August 20, 2003
September 12, 2003**

These questions were asked during the presentations about the Cost of the Uninsured and Characteristics of the Uninsured.

1. Do numbers exist for emergency room use by the uninsured vs. the insured?

Washington State hospital financial data reported to the Department of Health on emergency room visits and expenses are not broken down by insurance status. MEPS household data from the Agency for Healthcare Research and Quality (AHRQ) has emergency room utilization information broken down by insurance status. We combined both data sets and estimated the emergency room utilization and expenditures by insurance status in Washington State for 2000 (see table below):

Emergency Room Utilization and Cost in Washington State 2000: The Insured Versus the Uninsured				
	Population	Emergency Room Visits	Paid Services	Average Cost Per Visit
Insured	5,401,942	1,816,281	\$687,029,453	\$378
Uninsured	492,214	93,320	\$23,144,108	\$248
Total	5,894,156	1,909,601	\$710,173,561	\$372
Sources: OIC analysis of data from DOH - Hospital Financial Data and MEPS-HH 2000.				

2. What are the billed services on slide 16, Total Health Care Spending for the Uninsured – Washington State 2002?

The billed services are hospital charges for services without contractual adjustments. Paid services are hospital charges after contractual adjustments have been applied.

3. How is charity care defined in slide 17 that shows a graph of hospital charity care over time?

Charity care expenses are a revenue deduction before contractual adjustments are made. Since charity care is not paid by a specific person, the charity care numbers are not contractually adjusted. Charity care, consequently, is measured by billed charges. Bad debt is recorded after contractual adjustments and so is measured by the amounts paid. Charity care and bad debt are defined in WAC 246-453-010:

“Charity care” means appropriate hospital-based medical services provided to indigent persons, as defined in this section.

“Indigent persons” means those patients who have exhausted any third-party sources, including Medicare and Medicaid, and whose income is equal to or below 200% of the federal poverty standards, adjusted for family size or is otherwise not sufficient to enable them to pay for the care or to pay deductibles or coinsurance amounts required by a third-party payor.

“Bad debts” means uncollectible amounts, excluding contractual adjustments, arising from failure to pay by patients whose care has not been classified as charity care.

4. Can you give us more detail on the private and public sources of spending in slide 16?

The following table shows the sources of payment for the uninsured. We were unable to find any further definition of the terms such as “Other Public Sources” and “Other State Sources.”

Paid Health Care Spending for the Uninsured by Sources - Washington State 2002		
Sources	Amount	Percent
VA	\$274,220,157	40.15%
Self	\$215,953,192	31.62%
Workers' Compensation	\$65,077,493	9.53%
Other Private Sources	\$62,716,296	9.18%
Other Public Sources	\$41,232,611	6.04%
Other Sources	\$20,415,524	2.99%
Other State Sources	\$3,100,076	0.45%
Other Federal Sources	\$329,283	0.05%
Medicare	\$0	0.00%
Medicaid	\$0	0.00%
Private Insurance	\$0	0.00%
CHAMPUS	\$0	0.00%
Total	\$683,044,632	100.00%

5. On slide #7 (Monetary Impact), it says “Hospital inpatient care accounts for nearly 40% of care for uninsured persons who pay only 6.5% of cost out of pocket.” Please provide the graph that was the source of information?

Yes, the graph below was copied from Hidden Cost, Value Lost: Uninsurance in America (200), Institute of Medicine.

SPENDING ON HEALTH CARE FOR UNINSURED AMERICANS

45

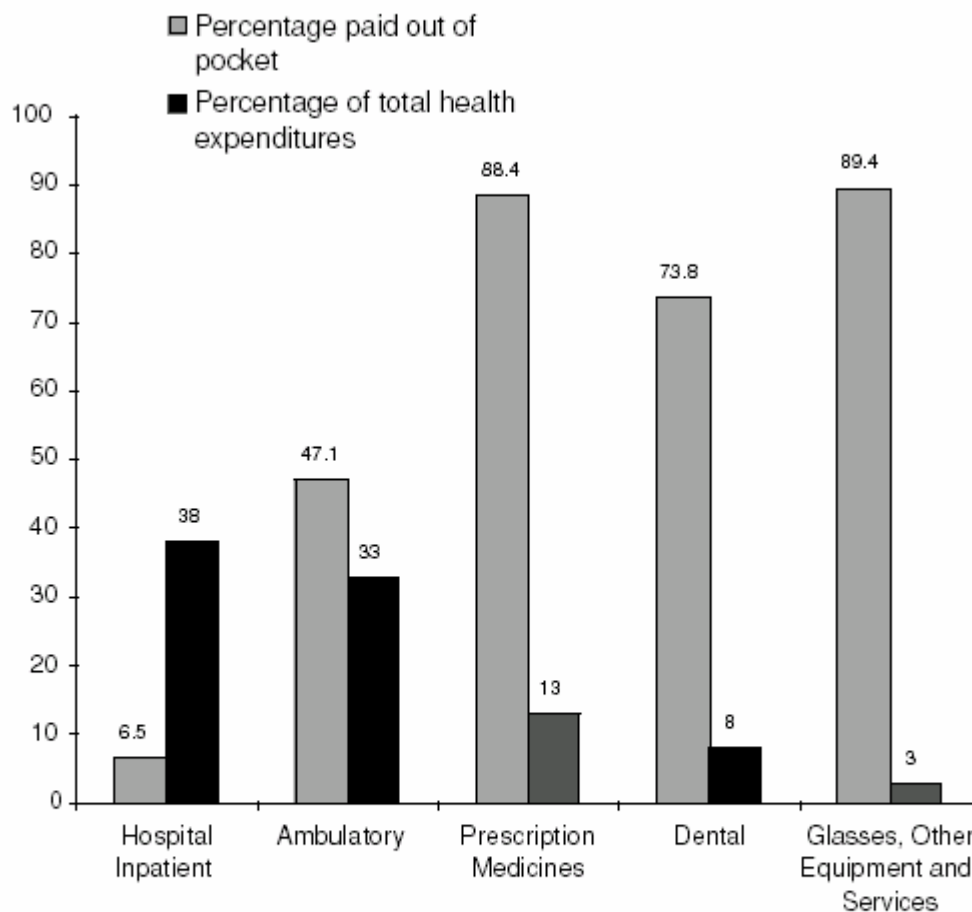


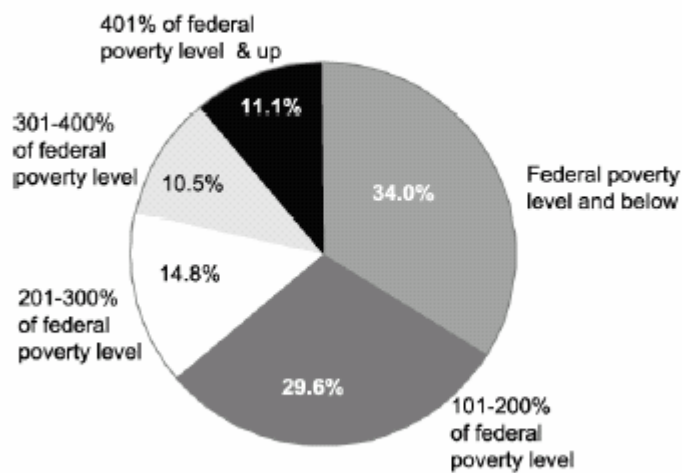
FIGURE 3.1 Share paid out of pocket by uninsured persons under age 65, within each type of service and share of total health expenditures that each type of service represents, 1997.

SOURCE: Agency for Healthcare Research and Quality, 2001. Data from 1997 Medical Expenditure Panel Survey.

6. A distribution of uninsured individuals was broken down by increments below 200% of the federal poverty level. We were asked to show a distribution for those uninsured individuals above 200%.

We copied the pie chart on income and the uninsured from “Targeting the Uninsured in Washington State”, Deliverable 3.1, Washington State Planning Grant on Access to Health Insurance.

Distribution of the Uninsured Population Under Age 65 by Income, 2000



Source: 2000 Washington State Population Survey. Data refer to the population under 65.

7. We were asked to research the “look-back” period for persons eligible for COBRA?

The time period is 105 days. Persons eligible for COBRA have 60 days to signal their intention to select COBRA and then another 45 days to make their first payment. Since COBRA is expensive, people sometimes use all 105 days to make their first payment, i.e., decide to purchase COBRA coverage. During this time period of 105 days, COBRA-eligible persons can receive services that will become covered once they pay for COBRA. It was suggested that some of the COBRA-eligible persons may answer “yes” when asked if they are uninsured while still within the first 105 days of eligibility. Although they are uninsured, a coverage option is available to them. It is one more story behind the data to keep in mind when we interpret statistics on the uninsured.